

service. That is 6.2 million. The third improvement, the early retirement provision would add 8.5 million dollars in cost. So you total that up, 7.7 for the benefit improvements; 6.2 million for the prior service improvement; 8.5 million for the early retirement, you have 22.4 million dollars. That is 22.4 million dollars annual increase cost for the foreseeable future. Now how does that break down, and if you want to follow along with the figures, I know that it is hard to remember figures, but if you will look at the handout that you have got, the long sheet handout, I'm referring now to the second page of that handout. How does that 22.4 million break down into who pays for the cost? Well, the state pays 5.5 million and that is their portion. The employees pay 7.7 million dollars and the school districts pay about 9.2 million dollars. Now if you want to you can kind of...you can kind of break those figures down with the costs that I just went over of these different features and you can kind of say basically that the state's 5.5 million is pretty close to prior service benefit. There is a precedent for the state to pick up the prior service benefit. They did it, that is what we now pay in the state for that old retirement plan. We are paying some of that old retirement annuity. So the state kind of has the same kind of contribution as the prior service benefit cost will be. Employees, 7.7 million they will pay in is pretty darn close to the 10 percent benefit improvement and the school district's 9.2 million is pretty close to the early retirement cost. Essentially that is kind of how the support for the bill is broken down, in some different ways, the school teachers have been most concerned about benefit improvements, the school boards have been most concerned about early retirement and school administrators actually have been most concerned about prior service but the state is the one that will pick up the cost on that. On the last page of the handout, you will see how this increased funding compares to current funding. What you will find is that presently in the state we pay about 30.6 million in the retirement plan for school teachers. Almost all of that is from school district and school employee contributions. What this bill does is increase that 30.6 million by 22.4 million so we are talking about 53 million dollars a year in retirement costs. The handout on page 3 that I have